

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN CINDY YOUNKIN**, on January 12, 2001 at 3:00 P.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Cindy Younkin, Chairman (R)
Rep. Rick Dale, Vice Chairman (R)
Rep. Gail Gutsche, Vice Chairman (D)
Rep. Keith Bales (R)
Rep. Dee Brown (R)
Rep. Aubyn A. Curtiss (R)
Rep. Larry Cyr (D)
Rep. Ron Erickson (D)
Rep. Christopher Harris (D)
Rep. Linda Holden (R)
Rep. Joan Hurdle (D)
Rep. Rick Laible (R)
Rep. Jeff Laszloffy (R)
Rep. Douglas Mood (R)
Rep. Bob Story (R)
Rep. Brett Tramelli (D)
Rep. David Wanzienried (D)

Members Excused: Rep. Rod Bitney (R)
Rep. Gilda Clancy (R)

Members Absent: Rep. Bill Eggers (D)

Staff Present: Holly Jordan, Committee Secretary
Larry Mitchell, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 92, 1/4/2001; HB 94,
1/4/2001; HB 166, 1/4/2001
Executive Action: HB 45; HB 40

HEARING ON HB 92

Sponsor: REP. KIM GILLAN, HD 11, Billings

Proponents: Jane Jelinski, Montanans Association of Counties
(MACo)
Betty Lund, Ravalli County Commissioner
Paul Whiting, Billings
Peggy Trenk, Montana Association of Realtors
Janet Ellis, Montana Audobon
Julia Page, Northern Plains Resource Council
Tim Davis, Montana Smart Growth Coalition
Byron Roberts, Montana Building & Industry
Association
L. Harold Blattie, Stillwater County Commissioner
Bob Horne, Chairman of the Legislative Committee,
Montana Association of Planners
Anne Hedges, Montana Environmental Information Center
Alec Hansen, Montana League of Cities and Towns
(MLCT)

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 0.4}

REP. KIM GILLAN, HD 11, Billings, spoke of the history of this bill. She stated that the words comprehensive or master planning, used in the old statutes, have been changed to growth policy or growth plan. The bill will establish a grant program which will provide much needed resources to local government so they can engage in growth policy. REP. GILLAN passed out a booklet, *Funding for Growth Policies*, EXHIBIT(nah09a01), and a letter from Jerry Sorensen of Plum Creek Land Company EXHIBIT(nah09a02).

Proponents' Testimony:

{Tape : 1; Side : A; Approx. Time Counter : 6.6}

Julia Page, NPRC, stated that Northern Plains strongly supports HB 92 and what it authorizes. She stated that every jurisdiction has a need for these funds. This bill will authorize money in a competitive grant situation so that jurisdictions will be ready to proceed with the planning process and see it through in a timely way. With a 2 year time limit to complete the project

with the possibility of a 1 year extension. She also stated that planning can save money, long-term and short-term.

Jane Jelinski, MACo, stated that they are in strong support of this bill.

Paul Whiting, Billings, submitted written testimony **EXHIBIT (nah09a03)**.

Bob Horne, MAP, stated that MAP represents about 110 planning professionals throughout Montana. They are in strong support of this bill. Growth policies take money to do and the counties have a strong need for those funds. The policies provide an opportunity for large or small communities to come together through a collaborative, inclusive process of community involvement and forms a vision for the community.

Alec Hansen, MLCT, stated that his organization represents all 129 municipal governments in Montana and they support this bill. He also stated planning is essential to development and the small cities and towns of Montana would benefit greatly from this important piece of legislation.

Tim Davis, Montana Smart Growth Coalition, stated that the coalition represents 27 different member groups around the state of Montana. He also stated that they support HB 92 and urged the committee to support any funding for planning ideas that come up.

Byron Roberts, Montana Building & Industry Association, stated that he represented the 1,500 member association and the association strongly supports HB 92.

Peggy Trenk, Montana Association of Realtors, submitted written testimony **EXHIBIT (nah09a04)**.

Janet Ellis, Montana Audobon, stated that they support land use planning and the many long-term benefits that come with it. She encouraged a do pass.

Anne Hedges, MEIC, directed the committee to Appendix C in **EXHIBIT (1)**. She urged a do pass of HB 92.

L. Harold Blattie, Stillwater County Commissioner, spoke of the increasing growth of Stillwater County and it's need of funding for planning. He encouraged a do pass of HB 92.

Betty Lund, Ravalli County Commissioner, submitted written testimony **EXHIBIT (nah09a05)**.

Opponents' Testimony: None.

Informational Testimony:

{Tape : 1; Side : A; Approx. Time Counter : 29.2}

Dave Cole, Department of Commerce, stated that he and Kelly Shields are available for any questions regarding the Department's involvement with the grant program that would be provided by HB 92.

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 29.8}

REP. BROWN asked **Dave Cole**, if appropriations will have to give the Department of Commerce additional funds with the passage of this bill. **Mr. Cole** stated that it would be additional funds.

REP. STORY asked **Harold Blattie**, if planning boards have a fiscal arm that can deal with grants or if those have to go through some established government. **Mr. Blattie** answered, that he did not believe that they do. **REP. STORY** followed up asking if planning boards were included in local governments, **Mr. Blattie** answered no. **REP. STORY** followed up stating that the idea is right but the mechanism is wrong; that the grants have to go to either a city or county that has a planning board and is that where we are trying to go with this bill? **Mr. Blattie** stated that any unit of government should be eligible for the grants whether they have a planning board in place or not.

REP. STORY asked **REP. GILLAN** if it is anticipated that cities or counties could come back for grants in succeeding years. **REP. GILLAN** redirected the question to **Julia Page**. She stated that she is not positive but one thing about the competitive process is that you would have to submit an application and be considered. **REP. STORY** followed up stating that this point needs to be clarified and asked if there was any talk of putting a sunset on this program? **Ms. Page** stated yes there was, but she didn't recall what it was. **REP. GILLAN** stated that it is her understanding that it is a 2 year appropriation. She stated that she thinks it was the intention that the grant would be one-time only grants. **REP. STORY** followed up asking if there is an emphasis on either implementation or development of growth policies or is that left up to the rule making process. **REP. GILLAN** reserved the right to consult but her preference would be

that they focus on just developing the growth policy and communities look for other resources to do the implementation.

REP. ERICKSON asked **REP. GILLAN** why the \$1,000,000 amount and how many planning boards are currently in place? **REP. GILLAN** stated that it is her understanding that the \$1,000,000 was based on information gathered during the interim. The question on planning boards was redirected to **Bob Horne** who stated that, to his knowledge, each county has at least 1 board and some larger counties have 2.

REP. LAIBLE asked **REP. GILLAN** what happens if a county already has a growth policy in place? Can they apply for more funds?

REP. GILLAN answered that these grants are not retroactive so, no, they cannot apply for them.

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 42.1}

REP. GILLAN stated that the proponents for this bill are diverse and these issues have been embraced by many. She stated that one of the most important concerns to developers is predictability. This bill will help attract people to these communities, therefore, we need to invest some dollars. She encouraged a do pass on this bill.

HEARING ON HB 94

Sponsor: **REP. KIM GILLAN, HD 11, Billings**

Proponents: **Sandy Weiss, Lockwood Community Coalition for Environmental Health (LCCEH)**
Hugh Weiss
Julia Page, Northern Plains Resource Council (NPRC)
Jan Sensibaugh, Department of Environmental Quality
Anne Hedges, Montana Environmental Information Center
Steve Wade, Burlington Northern and Santa Fe Railway Company

Opponents: **None.**

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 45.3}

REP. KIM GILLAN, HD 11, Billings, stated that HB 94 is an amendment to the Comprehensive Environmental Cleanup and Responsibility Act. She stated that the most important thing to understand about the proposal today, you have to understand the concepts that go along with the CECRA bill. She then gave a brief history of the details leading up to this bill.

Proponents' Testimony:

{Tape : 1; Side : A; Approx. Time Counter : 49}

Anne Hedges, MEIC, gave a history of her involvement with the issues that led up to this bill. She spoke of some of the things that need to be changed with the current statutes. She summarized the current statute stating that if department failed to notify all of the potentially liable parties then they couldn't go after anybody to pay for the cleanup. The new language clears this mistake up. It was never intended that the Department would have to notify every single potentially liable person before it could move forward with cleanup. The new language preserves the original intent of the statute. She stated that she supports the proposed amendments and the bill.

Steve Wade, Burlington Northern and Santa Fe Railway Company, submitted proposed amendments **EXHIBIT(nah09a06)** and explained the reasons for the amendments. He stated that they support this bill with the amendments.

Julia Page, NPRC, submitted written testimony **EXHIBIT(nah09a07)**.

Sandy Weiss, Lockwood Community Coalition for Environmental Health (LCCEH), submitted written testimony **EXHIBIT(nah09a08)**.

{Tape : 1; Side : B; Approx. Time Counter : 0.1}

Jan Sensibaugh, DEQ, submitted written testimony **EXHIBIT(nah09a09)**.

Opponents' Testimony: None.

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 5.1}

REP. HARRIS asked **Steve Wade,** regarding the second portion of the amendment, regarding the phrase "cost encumbered by". **Mr. Wade** stated that without the word "encumbered" there is the potential for someone not notified about this cleanup or involved in the discussions about the cleanup and the costs, upon late

notification, to be responsible for the work. If there is a decision to move forward with work and some people were not involved in the process they should have a defense to that stage of the work. **REP. HARRIS** followed up stating that he doesn't agree with the language of the amendment but he will take that up in executive action. **Mr. Wade** stated that they would be happy to work with the committee to try to come up with better language.

REP. LAIBLE asked **REP. GILLAN** if she is in favor of the amendments. She stated that yes, she is comfortable with amendment #1 and doesn't appreciate the nuance of amendment #2.

REP. LAIBLE asked **Jan Sensibaugh** what happens to the individuals we can't find? Is their share of the costs split among those we can find? **Ms. Sensibaugh** deferred the question to **Sandy Olsen, DEQ**, stated that it could be handled in one of two ways. The identified parties, under the controlled allocation process, can petition the department to have those costs covered under orphan share. She then deferred the question to the department attorney, **Cindy Brooks**, to explain other ways of going about this. **Ms. Brooks** answered typically this falls under the state superfund law which provides for strict joint and several liability. **REP. LAIBLE** followed up asking for an explanation of orphan share? **Ms. Brooks** stated that the fund was created in the 1997 legislature under the controlled allocation liability act. It is an optional process that parties can petition to go through, it is very rare but it is available. The orphan share is a shared liability that, under a fair share allocation, would be attributable to a party who is bankrupt or defunct. If the parties decided not to go through this controlled allocation process then the orphan share would be covered by all of the other parties.

REP. STORY asked **Jan Sensibaugh** if, under the existing law, DEQ has to find everyone and identify them before they can do any cleanup. **Ms. Sensibaugh** stated yes, that is the way we interpret the law. Followup by **REP. STORY**, so by finding everybody then you find all the potentially liable parties? **Ms. Sensibaugh** stated, that is correct. **REP. STORY** followed up, then under the proposed changes when you only have to find, at the minimum, one, what is the incentive of the department to find any more than the first person? **Ms. Sensibaugh** deferred the question to **Ms. Brooks**. She stated that the requirement for the department to conduct a good faith investigation to identify all P.L.P.'s remains in the law, even with this amendment. So, the department is not going to be able to go out and pick on one person under this statutory provision. This amendment would not require the department to find every possible P.L.P. nor would it penalize them if they miss somebody in the process of a good faith

investigation. It also does not change the requirement that if there is an allocation DEQ must bring everybody in. The amendment allows the department to conduct a good faith investigation and notice one or more parties. Then, if there is going to be an allocation, the department has to take the special steps to bring the rest of the parties in. She also stated that under the liability provisions in the state superfund law with strict joint and several liability, all parties are responsible for 100% of the cleanup costs anyway. **REP. STORY** followed up, if you don't find very many of the responsible parties at first and you go into an emergency cleanup and you contract that job before you find many of the potentially liable parties, those people not found are then off the hook? **Ms. Brooks** stated, that is correct and then spoke about the amendment. **REP. STORY** followed up asking what the costs would be to the department if they don't make a real effort to find all potentially liable persons. **Ms. Brooks** stated that the cost to the department in doing that would be that the one or two people that you picked on in the first place might not be able to carry out your cleanup therefore, it would not be in DEQ's best interests to pick and choose.

REP. LASZLOFFY asked **Ms. Brooks** how the small players in the cleanup are supposed to have the resources to manage the other people that are involved. **Ms. Brooks** stated, typically they don't, if they do not have a lot of resources they may not be able to contribute. **REP. LASZLOFFY** then asked if this is potentially one of those cases where we can make law and we have statutes that apply but in practice we really go a different direction? **Ms. Brooks** stated that she doesn't think so and then explained the state superfund law.

REP. LAIBLE asked **Ms. Brooks** if the problem is in identifying the parties or finding and noticing the parties? **Ms. Brooks** stated that both categories are very broad and gave examples regarding Lockwood. **REP. LAIBLE** followed up asking if Lockwood is the exception or the rule? **Ms. Brooks** stated that it really depends. There are several superfund sites around the state where you have large areas of contamination, large numbers of impacted residents and large numbers of P.L.P.'s.

Closing by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 28.7}

REP. GILLAN asked the committee to shift their focus to those who were affected by this quagmire in the law. She stated that this bill will provide some balance between the doers and the people who are affected by the doers. She urged a do pass.

HEARING ON HB 166

Sponsor: REP. MICHELLE LEE, HD 26, Livingston

Proponents: Janet Ellis, Montana Audobon
Dave Galt, Montana Department of Transportation

Opponents: None.

Opening Statement by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 31.1}

REP. MICHELLE LEE, HD 26, Livingston, explained HB 166 and the intent of the bill. She stated that since 1997, the Montana Department of Transportation has developed approximately 192 acres of compensatory wetland mitigation statewide. It is anticipated that by October of 2001 the MDT will have constructed an additional 200 credit acres. The impact of this legislation is that it will allow the MDT to transfer ownership and management responsibilities of these lands to other cooperating state, federal or tribal agencies. Some of the agencies, private individuals and nonprofit conservation groups that have indicated an interest in this include Montana Fish, Wildlife and Parks, Ducks Unlimited, U.S. Fish and Wildlife Service, Audobon Society and the City of Billings and Parks Commission. She pointed out that there is the chance for an actual cost savings on this piece of legislation.

Proponents' Testimony:

{Tape : 1; Side : B; Approx. Time Counter : 34.1}

Dave Galt, MDT, stated that the bottom line is that the MDT is required by the army core of engineers to purchase and develop land into wetlands if they want to take land that is already wetlands and pave it or make it into a road project. They spend a lot of money buying these lands and developing them into these wetlands and then they have to manage them. There are a lot of requests from various people who would like to have the land back. They can't give the land back unless they can guarantee that the land will remain a wetland. The current law does not allow the department to put an easement on that piece of property. The more mitigation lands that they have under management, the more money the department has to ask the budget committee for. This piece of legislation would help the department greatly.

Janet Ellis, Montana Audobon, submitted written testimony
EXHIBIT(nah09a10).

Opponents' Testimony: None.

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 37.3}

REP. BROWN asked **Dave Galt** how much money is he talking, in his budget, for wetland mitigation? He responded approximately \$35,000 for contracted services. **REP. BROWN** followed up asking what percentage of this property would go into private vs. nonprofit agencies, etc. **Mr. Galt** deferred that question to **Greg Hahn, MDT**, he stated that depends on whoever has a use for the property. **REP. BROWN** then asked, if some is going into private ownership, how will the department check that the property is being kept as a wetland? **Mr. Hahn** stated the department will still inspect the property regularly on site in the manner of a "drive-by". The easement will allow for any transfers to be documented.

REP. LAIBLE asked **Mr. Galt** would there be more money coming into the general fund if this bill is passed. He answered, there will be no money going in or out of the general fund, this would come in or out of the highway special revenue account. The monies to buy these lands comes out of the department's construction program. We are not asking for money in the budget to buy the lands; we are asking for a small amount of money in the budget to maintain the land. If the department did sell some lands then there would be an income that would go back into the highway special revenue account, construction program.

REP. ERICKSON asked **Mr. Galt** about his statement that there would be a "drive-by" inspection as that doesn't seem adequate. **Mr. Galt** stated that the department is required by the Army Corps of Engineers to have these wetlands and to mitigate those affected. If they didn't do their job in monitoring these wetlands and got the Corps of Engineers mad they may be unable to get future permits and it would almost put D.O.T. out of business. He assured the committee that D.O.T. would monitor those wetlands thoroughly. **REP. ERICKSON** followed up asking how they would be monitored. **Mr. Galt** turned the question over to **Mr. Hahn** who stated that most of the lands are pretty mainstream, a lot of them have various equipment on them that requires maintenance. Also there are some requirements for the Corps of Engineers to do some investigation into the wetlands.

REP. BROWN asked **Mr. Hahn** if the department is going to develop the land and then sell it or sell it and then develop it? **Mr. Hahn** stated that they are going to buy the property, develop a wetland and then sell it.

REP. MOOD asked **Mr. Hahn** if the department spends several years developing wetlands and is it an expensive process. **Mr. Hahn** responds, yes it is to both. **REP. MOOD** then asked if the department sells the land for less or more than they have invested in it. **Mr. Hahn** said normally they would have to sell it for less than what they have invested. **REP. MOOD** then asked if they buy land to develop into wetlands. **Mr. Hahn** answered, yes we do. **REP. MOOD** then asked about unusable land that the department owns and if they could use that land for wetlands. **Mr. Hahn** stated that they do try to use as much of their excess land as feasible. He then explained the requirements to develop a wetland. **REP. MOOD** then asked what law requires the wetland development. **Mr. Hahn** stated there are 2 laws, one is a federal law and one is through the Corps of Engineers.

REP. CURTISS asked **Mr. Hahn** how many wetlands are developed and what are their sizes? **Mr. Hahn** stated that today there are 192 acres and that consists of about 4 wetland areas, an additional 200 acres of mitigation are expected within the next 3-5 years and by the end of 2005 it is expected that there may be 1,000 acres of wetlands. **REP. CURTISS** followed up asking if there is a requirement that the department do so much in a certain period of time or is it as they identify appropriate areas. **Mr. Hahn** stated there is a requirement that they do replace any wetlands that they disturb for highway purposes. **REP. CURTISS** followed up asking how comprehensive are the criteria for designating these areas. **Mr. Hahn** stated it is very extensive.

REP. STORY asked **Mr. Galt** if the department is going to be able to sell the wetlands or are they going to end up giving them away. **Mr. Galt** answered that several people are interested in having the piece of property back, yet he didn't have a direct answer regarding getting revenue back but he could get that. **REP. STORY** then asked if the department had to put those out to a bid process. The question was deferred to **Mr. Hahn** who answered yes, if the value of the land is over \$2,500. **REP. STORY** followed up, then you won't be able to trade land with the original land owner? **Mr. Hahn** stated that it will make it difficult for individuals to acquire the property unless they have other property the department needs for highway purposes but there are many other public agencies that do have properties available that we would be able to exchange with. **REP. STORY** then asked if the department pays the taxes on these properties.

Mr. Hahn responded, no we don't. **REP. STORY** followed up asking if the department has negotiated an access agreement to these properties with the land owners whom you purchased them from?

Mr. Hahn stated they have always negotiated access for the department to monitor those sites, often times we have negotiated access for the department. **REP. STORY** then asked if those sites that do not have access for the public were to be sold to someone other than the surrounding land owner and what type of easement would go along with those for access? **Mr. Hahn** stated that the problem of access is that they would develop access for the department to maintain the lands. If an adjoining land owner didn't buy them then he would have to acquire the land without access but it is not the department's policy to acquire properties that they cannot access. **REP. STORY** then followed up asking for clarification of the law because if these parcels are transferred to a nonprofit organization who wants to open them up to public access, the original, adjoining landowner is involved in an agreement that he didn't agree to. The question was redirected to **Mr. Galt** who stated that they can go back and make it a prerequisite that they consult the original landowner and get agreement on any future agreements.

REP. DALE asked **Mr. Galt**, do the Army Corps of Engineer regulations allow you to gain the economy of scale of purchasing a large area away from your project, perhaps already a wetland, that can be preserved rather than constructed? **Mr. Galt** deferred the question to **Mr. Hahn** who stated the Corps of Engineers allows the department to go out and acquire large areas of property that are for highway purposes and for wetland mitigation purposes. It does not allow us to go out and purchase existing wetlands. The purpose of the program is to replace wetlands that we took out of production, not maintain current wetlands. **REP. DALE** followed up asking if these sites can be away from the highway, perhaps in an area where it's more economic to develop. **Mr. Hahn** answered yes they can.

REP. BROWN asked **Mr. Hahn** if, in the future, the highway department can make sure that the easements are public. **Mr. Hahn** answered that these wetland easements are bought with a large set of conditions upon which the department and a landowner come to an agreement, and at the time that they negotiate the access this can be addressed. **REP. BROWN** followed up asking if this could be done for the current wetlands. **Mr. Hahn** stated that he doesn't think any of the current wetlands are landlocked.

REP. LAIBLE asked **Mr. Hahn** if the department ever ends up with surplus lands that are not wetlands? **Mr. Hahn** stated, yes we do. **REP. LAIBLE** followed up asking if he had any calculations of how many acres the department currently has that are not being used.

Mr. Hahn answered, we do have a register that lists our excess land but I can't give you an exact acreage at this time. **REP. LAIBLE** followed up, is there any attempt by the department to market these lands to the adjacent land owners? **Mr. Hahn** stated, yes there is. We have a very active excess land sales program. In the past 2 years we have marketed around \$600,000 worth of excess land. **REP. LAIBLE** followed up asking if these lands have been sold or just marketed. **Mr. Hahn** answered, we have sold these.

Closing by Sponsor:

{Tape : 2; Side : A; Approx. Time Counter : 0.1}

REP. MICHELLE LEE, reminded the committee that these wetlands are created in response to the federal regulations that are handed down when a highway is constructed. This legislation would help the department get out of the business of managing wetlands and focus their attention on transportation. She urged a do pass.

EXECUTIVE ACTION ON HB 45

{Tape : 2; Side : A; Approx. Time Counter : 2.8}

Motion/Vote: **REP. DALE** moved that **HB 45 DO PASS**. Motion carried unanimously.

EXECUTIVE ACTION ON HB 40

{Tape : 2; Side : A; Approx. Time Counter : 3.8}

Motion: **REP. DALE** moved that **HB 40 DO PASS**.

Discussion:

REP. STORY reminded the committee that this bill makes the fund inside the fund, for this program, permanent so that money does not become available for general fund spending.

REP. YOUNKIN asked **REP. STORY** if it would be possible for a future legislative session to change that without a 3/4 majority vote of the house. **REP. STORY** stated yes, future sessions could change it and it would not require a 3/4 majority vote.

REP. BROWN stated that she has a problem with the sunset clause 12 years from now and that is too far out to lift a sunset. She stated that she wants to see the history of the monies being used into these systems so that we can see the results.

Without objection, **REP. CURTISS** asked **John Tubbs** what other projects may be underfunded if all the money goes to this particular fund? **Mr. Tubbs** answered that because this is a separate trust fund within the trust there aren't any other funds other than the two regional water systems that would be impacted by the passage or non-passage of this bill.

REP. GUTSCHE asked why on page 1, line 21 it states, "a treasure state endowment regional water system fund," and again on page 3, line 7 they have that as new language. **REP. STORY** stated that the 2 identical sections due to the expiration in 2013 of this fund. The new language makes that fund permanent.

REP. LASZLOFFY stated that he is uncomfortable with this, is the reason that they want to do this so that they can secure long term funding for the water projects? **Larry Mitchell** stated, this fund runs out, as of now, in the year 2013, this legislation will continue the funds beyond then which makes the federal government secure with funding the majority part of the proposed projects. **Mr. Mitchell** then redirected the question to **Mr. Tubbs** who stated that the committee is right on track with this and explained the funding and bonding process for the planned water projects. **REP. LASZLOFFY** then asked if the legislature could push the sunset back to a point where the federal government would feel comfortable. **Mr. Tubbs** stated yes, there is that choice but it is a little early to do that.

REP. LASZLOFFY moved that the committee postpone action on this bill to give the committee time to look at proposing an amendment that would move the sunset back on the bill. There was no objection.

ADJOURNMENT

Adjournment: 5:20 P.M.

REP. CINDY YOUNKIN, Chairman

HOLLY JORDAN, Secretary

CY/HJ

EXHIBIT (nah09aad)